

Best Practices in Sustainability Planning

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Setting the Reality Stage

- Georgia's Rural Health Networks
- 2003: 19 Rural Health
 Networks Greatest Need
 A Business Plan
- 2004: 15 Rural Health
 Networks (10 Vertical;
 5 Horizontal; 4
 Inactive) Greatest Need

 A Business Plan

 Two RHNs had a BP, none were using it







Setting the Reality Stage

- Small Business Development Council
- Economic Strategy Center
- NPO's







How Did We Get Here?

- 2004 NCHN Conference, Austin Texas
- Capital Strategist's OVP® message
- Georgia's RHNs in need of sustainability approaches
- A Big Hairy Audacious Goal (BHAG)
- State + Private Foundation \$







The Big Hairy Audacious Goal

- For the 5 horizontal networks to adopt fundable, mission-based Return on Investment strategies for sustainability by June 2005
- For the 10 vertical networks to adopt fundable, business-based Return on Investment strategies for sustainability by June 2005







The Objectives...

- To design AND fully fund a multidimensional institute on sustainability
- To require deliverables (outputs)
- To offer an incentive for completion of deliverables
- To document the ROI for investors







The Plan...

• To achieve 100% approval/acceptance among investors by September 2004

To launch the Community Health Systems
 Development Institute on Sustainability and
 Resource Acquisition by November 2004







The Plan...

- To host 4, 2-day intensives (e.g.,11.04; 1.05; 2.05; 4.05; & 6.05)
- To adopt a curriculum based on OVP®
- To require deliverables including a fundable Sustainability Plan; a Prospectus for Resource Acquisition; and attendance at a Grants acquisition workshop by June 2005
- To require one-on-one technical assistance for all focus areas to support completion of deliverables beginning in November 2004 and ongoing.







The Barriers...

- Cost
- Time
- Effort
- Diversity
- Values







The Budget...

- To provide all materials, supplies, workbooks
- To cover all travel expenses including hotel, transportation, and meals in Atlanta for 30 participants and 4 trips
- To hire Capital Strategists as faculty and for ~3 site visits
- To fund 6 GHPC staff and 30 site visits
- To provide a \$5,000 incentive for each RHN completing the program and submitting required deliverables
- To host a state-wide luncheon in June to highlight outcomes for key investors







Would the BHAG be accepted by the investors?

• The Office of Rural Health Services

• The Woodruff Foundation

• The 15 Rural Health Networks





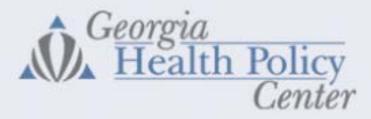


YES!!!

- The Office of Rural Health Services \$160,000 investment
- The Woodruff Foundation \$60,000 investment
- The Rural Health Networks
 7 month investment (~200 hours)







The Sustainability Intensives:

An Organizational Value Proposition® approach for implementing strategic initiatives among

15 rural health networks

• To create a framework for using a Return on Investment (ROI) approach to acquire fiscal, societal, and clinical 'buy-in' among key stakeholders.







One Person's Output is Another's Outcome

For the GHPC

Outputs: # of networks, people attending
 (13 networks and 30 participants)

• Outcomes: sustainable plans for members







One Person's Output is Another's Outcome

For the networks

• Outputs: 34 proposed rural health programs and 52.9 new jobs

• Outcomes: Better health at less cost







The I in ROI

Cost:

- \$60,000 Woodruff Foundation
- \$160,000 DCH/ORHS
- 7 months/200 hours for 12 RHNs







The R in ROI...

- 13 of the 15 RHNs agreed to participate
- 1 RHN dropped out
- 12 RHNs adopted Sustainability Plans
- 34 strategic initiatives are proposed
- \$8.9 million price tag
- If 10% of these are accomplished the outcome would be \$890,000 for the \$220,000 investment (or an ROI of 4:1)





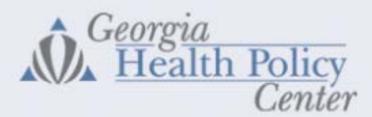


The R in ROI... Societal (e.g., diabetes)

- Improved academic performance (youth)
- Less absenteeism (adults)
- Full-term normal deliveries (women/infants)
- Decreased use of hospital services (local providers)







The R in ROI... Clinical (e.g., diabetes)

 Increase per cent of diabetics remaining on therapy

(45% of diabetics drop off therapy after 12 months)

- Increase health literacy/knowledge (50-80% of diabetics have deficits in self care/management)
- Each \$1 spent on OP/diabetes education saves \$2-3 in hospital costs

(Source: APhA Foundation, 2003 statistics)







The R in ROI...Economic Impact (e.g., diabetes)

- Existing Outputs for RHNs:
- 9 provide diabetes education and screening
- 9 offer prescription assistance
- 7 provide case management for the un/underinsured
- 7 enroll individuals in subsidized programs







The R in ROI...Economic Impact re: diabetes

Expected Outcomes: (Too soon to tell)

Better health for more people at less cost

Excess healthcare costs (1997) for diabetics was \$283M

(Source: Selby JV et al Diabetes Care, 1997;20;1396-1402)

Case management decreased medical claims (2004) up to \$3,356/diabetic (Source: Cranor et al, JAPhA 2003;43(2):183)

Sick-leave was 12.6 days & dropped to 5.7 days (2004)

(Source: The "Asheville Project", 1997, Center for Health Transformation)







Actual Outcomes for a RHN (2004)

2,899 CM members; < 6 months on CM 1.2% became inpatients & 3.5% used the ER – after 25 months on CM, .2% became inpatients and .5% used the ER

(ISource: Custer, W. Community Health Works September 2004, Georgia State University)







The R in ROI...Economic Impact re: rural Georgia

- Strategic initiatives proposed 53 new jobs in rural Georgia
- Those jobs create 7 additional jobs
- At an average salary per job of \$25,000 those jobs have a direct impact of \$1,325,000, and an additional impact of \$410,750







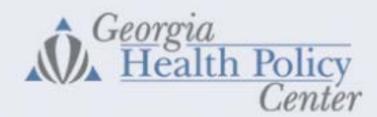
Probable Outcomes for a RHN (2005-2009)

- \$1.4 million saved via CM and ER diversions
- \$480,000 saved via Rx assistance & in-patient diversions
- \$18.4 million saved via Free clinics, Rx assistance, and CM over 4 years

(Source: Coastal Medical Access Project – 2005)







Participant comments...

• 'I continue to be impressed with the thoroughness of the information I receive....I find this well worth my time."

• "Thank you! This is such a tremendous series, we strategized all the way home...."

• 'These sessions not only expanded but coalesced our vision and future."







Participant evaluation...

• 77% response rate

• 75% of respondents have rated the series "Significantly Beneficial"

(highest possible ranking)







The Win:Win

A need → **TA** experiment → **12** sustainability plans (RHNs) → **34** new initiatives designed to improve health at less cost (Georgia) → **30** satisfied RHN customers (GHPC) → **2** consulting contracts (Capital Strategists) → ???







Next Steps...

• To design a web-based ROI and OVP® tool

To publish a manual for replication purposes

• To modify the approach for various audiences







Different Ways to Make This Work

- Split up each section
- Four days in a row
- Shave costs







Reflections... Stay Tuned!

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